

Beneficiary Designations

You may designate any person or entity as a beneficiary.

Primary Beneficiary: The person(s) and/or entity(ies) that you wish payment be made to in the event of your death.

Contingent Beneficiary: The person(s) and/or entity(ies) that you wish payment be made to in the event that there are no surviving primary beneficiaries.

If no beneficiary survives you, payment will be made to your estate.

In the event that you wish to designate your children as contingent beneficiaries and to ensure that a child is not missed in the designation, suggested language may be to write either of the following in place of the names of the children:

- Any and all surviving children;
- OR**
- All children

You should occasionally review your beneficiary designations. You may do so by contacting the SDRS office or by accessing your *My SDRS* at:

www.sdrs.sd.gov

You should submit a new beneficiary form whenever there is a change in your family status or beneficiary designation. Please contact your Authorized Agent or SDRS for assistance.



Beneficiary Designations and Death Benefits



South Dakota Retirement System
222 East Capitol Avenue • Pierre, SD 57501
(888) 605-SDRS • www.sdrs.sd.gov

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Death Benefits

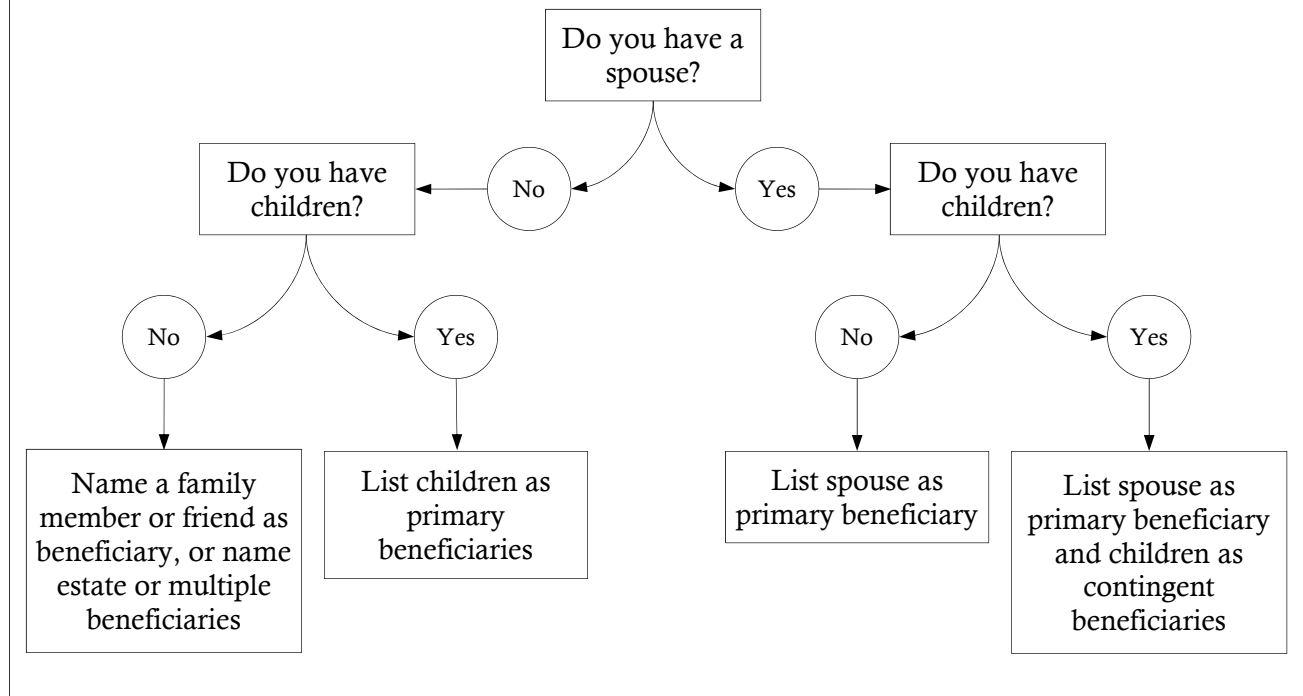
Family and spouse benefits are paid monthly if you die while actively participating in SDRS.

Family Benefit: Payable when unmarried, dependent children under the age of 19 are in the home. The family benefit equals 40 percent of your final average compensation, plus an additional 10 percent per child (up to a maximum of 6 children, or up to 100 percent of your final average compensation). As each child reaches age 19, the benefit is reduced accordingly. The payments continue until all children in the home reach the age of 19.

Spouse Benefit: Effective and payable when your spouse reaches the age of 65. The spouse benefit equals 60 percent of your projected retirement benefit. It is calculated using the normal retirement formulas. The compensation used in the formula will be your final average compensation plus annual cost-of-living adjustments. The credited service in the formula will be the years of credited service you have accumulated plus the years you would have earned if you had been a member of the system until age 65.

Eligibility: For your spouse and family to be eligible for these benefits, you must be a contributing member under age 65 at the time of your death, and have at least one year of credited service, or be receiving disability benefits.

Beneficiary Designation Examples



Survivor Benefit After Retirement: Equal to 60 percent of the benefit being paid to you at the time of your death. The survivor benefit will continue for your spouse's lifetime with annual cost-of-living adjustments. If both you and your spouse die before your accumulated contributions have been paid, your named beneficiary or estate will receive the balance.

Eligibility: To qualify for the survivor benefit, your spouse must have been married to you prior to your retirement date, at the time of your death, and for at least 12 months before your death.

Payments to Minors: SDRS cannot make payments directly to minors. If any person designated as your beneficiary is a minor, payment must be made to a conservator or custodian. You can save time and expense by designating a custodian as beneficiary and completing an *SDRS Transfer to Minor* form. This form can be obtained by contacting the SDRS office.

Divorce: It is important to note that state law will not recognize an ex-spouse as a named beneficiary unless that person is named on an SDRS beneficiary form that is prepared, signed, and dated after the date of divorce.